

Best in the Nation Prosecuting Insurance Fraud

OIFP Personnel, Public Awareness Efforts Garnered Industry Awards; Prosecutions Yielded Tough Jail Sentences, Orders for Restitution Payments

Through effective outreach, tireless investigative activity and a track record of successful prosecutions, the New Jersey Office of the Insurance Fraud Prosecutor (OIFP), part of the Division of Criminal Justice within the Attorney General's Office, continued to serve as a national model for combating insurance fraud. In 2004 the Coalition Against Insurance Fraud, an independent Washington D.C.-based insurance fraud monitor, ranked New Jersey's OIFP the top insurance fraud prosecuting office in the United States.

The OIFP and its staff also received awards in 2004 from the International Association of Arson Investigators, the International Association of Special Investigative Units, the United States Social Security Administration, and the New Jersey Vehicle Theft Investigators Association. In addition, OIFP's public awareness campaign garnered industry honors for its creativity and effectiveness, and officials from throughout

the international fraud-fighting community continued to call upon the OIFP for guidance and assistance.

But industry accolades are not as reliable a yardstick as successful prosecutions.

In 2004, the OIFP obtained 177 insurance fraud convictions, obtained sentences of jail or state prison for fraud defendants totaling 206 years, and obtained court orders for more than \$16 million in defendant restitution payments — more than double the amount of restitution payments ordered for fraud defendants in 2003. In addition, the total jail and prison sentences imposed against OIFP defendants in 2004 represented an increase of more than 70 percent compared to the prior year.

"The results are clear — the OIFP continues to have a significant impact on insurance cheats. Just as importantly, OIFP's fraud-fighting efforts have bolstered industry confidence," said Attorney General Harvey.

In 2004, the OIFP successfully infiltrated

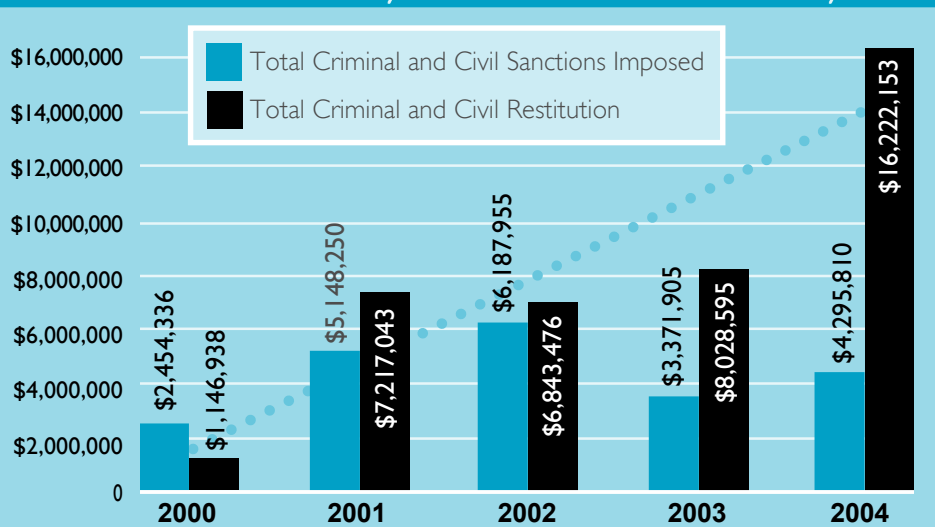
a "staged accident" insurance fraud ring headed by "kingpin" Anhuar Bandy, of New Brunswick, ultimately dismantling the ring and convicting Bandy. As a result, Bandy was sentenced to 29 years in State Prison. The case represented New Jersey's first-ever successful prosecution of a staged accident ring as a criminal racketeering enterprise.

The OIFP also obtained a guilty verdict in a case against Linda Clements-Wright, of Sicklerville, Camden County, an insurance company claims specialist who stole nearly \$600,000 in bogus claim settlement monies.

The agency also obtained a guilty verdict in its prosecution of Eliezer Martinez, a Medicaid provider who submitted nearly \$140,000 in fictitious counseling claims to the Medicaid program. Martinez submitted the bogus claims while acting in his capacity as owner and chief executive officer of Hispanic Counseling Center and Family Services of New Jersey, Inc., located in the City of Camden.

Statistical bar charts (at right and adjacent page) reflect the increasing effectiveness of the Office of Insurance Fraud Prosecutor. In 2000, state prosecutions for insurance fraud resulted in 17 defendants being sentenced to jail, and approximately \$1.1 million in court-ordered restitution. In 2004, prosecutions for insurance fraud sent 134 defendants to jail, while court-ordered restitution topped \$16 million.

OIFP Criminal & Civil Monetary Sanctions and Restitution Summary



Other OIFP case highlights included:

- ❖ **The June 2004 sentencing of a Burlington County husband and wife to jail and restitution** for over-billing the Medicaid program more than \$22,000 for services related to transporting Medicaid patients via their Camden-County-based medical transport business, H&B Medical Transportation Services, Inc. Harvey Lee Bellamy, Jr., 41, of Mt. Holly, was sentenced to three years in State Prison for his role in the fraudulent billing activity while Bellamy's wife, Bernice Bellamy, was sentenced to five years probation. Both defendants were ordered to pay restitution to be determined by the Court, and were barred from participating in the Medicaid Program for at least five years.
- ❖ **The sentencing, in March 2004, of a former law enforcement officer who masterminded an "arson for profit" insurance scheme** that involved at least 10 Mercer County arson fires and netted more than \$500,000 in settlement claims. OIFP defendant Marc Rossi, a former investigator for the Mercer County Prosecutors Office, was sentenced to eight years in State Prison after pleading guilty to charges of arson, conspiracy to commit arson, bribery, theft and theft by deception. The defendant was also ordered to pay a \$50,000 civil insurance fraud fine, and to pay \$537,673 in restitution to six different insurance providers.



New Jersey remains a recognized national leader in combating insurance fraud. In 2003, the Washington-D.C.-based Coalition Against Insurance Fraud rated New Jersey's Office of the Insurance Fraud Prosecutor first in the nation for prosecutions.

OIFP Defendants Sentenced to Jail Time & Total Number of Jail Term Years

